



PRESS RELEASE

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FOR IMMEDIATE RELEASE

CFB ASSESSES PENALTIES AGAINST TWO CAMPAIGNS

January 17, 2008 – During a regularly scheduled meeting today, the Campaign Finance Board assessed penalties against two campaigns and reviewed a formal petition challenging repayment obligations.

Penalties totaling \$44,780 were assessed against the 2001 City Council campaign of Miguel Martinez. While listed below, the essence of the Board's findings are that the Martinez campaign submitted self-created, non-contemporaneous documentation made to look like originals coming from vendors to represent authentic, contemporaneous records, in an attempt to avoid a significant public funds repayment obligation. The Board found four separate violations for misrepresentation, one violation for failing to adequately respond to the Board, and one violation of unaccounted-for coordinated activity. The Board determined that these violations constituted a breach of certification, requiring the Martinez 2001 campaign to repay all \$128,786 in public matching funds it received. Final resolution of this matter had been delayed due to legal action commenced by the Martinez 2001 campaign against the Board. Presentations by Board staff and the Martinez campaign were made before the Board during two separate meetings in August and September of 2007. This determination represents the conclusion of the final enforcement matter remaining from the 2001 election. The Board's Final Determination can be found [here](#).

Penalties were also assessed against Pat Russo, a 2005 City Council candidate. For a complete list, see below.

The Board considered a Rule 5-02(a) petition challenging a previous Board determination of public funds repayment obligations from the 2005 election. Larry Seabrook, a City Council candidate, challenged his obligation to repay \$2,596 because of a failure to document sufficient qualified expenditures. The Board granted the petition in part and denied the petition in part, reducing the campaign's repayment obligation to \$302.

The Board also dismissed a complaint against the 2005 campaign of City Council candidate Melissa Mark-Viverito by an opposing candidate. The complaint alleged non-independent, coordinated activity between the Mark-Viverito campaign and Local 1199/SEIU. An investigation did not uncover sufficient evidence to substantiate the complaint.

Penalties Assessed

<u>Candidate</u>	<u>Office</u>	<u>Public Funds Received</u>	<u>Violation</u>	<u>Penalty</u>	<u>Total Penalties</u>
Martinez, Miguel (2001)	CD #10	\$128,786	Misrepresentation in connection with the Campaign's accounting for reported expenditures to campaign service vendors	\$10,000 and <i>breach</i>	\$44,780 and <i>breach of certification, requiring return of \$128,786 in public funds.</i>
			Misrepresentation in connection with the Campaign's accounting for reported expenditures to campaign workers	\$10,000 and <i>breach</i>	
			Misrepresentation in connection with the Campaign's accounting for reported expenditures to individuals for primary election and general election get-out-the-vote activities	\$10,000 and <i>breach</i>	
			Failing to adequately respond to the Board, lack of cooperation with the Board in connection with the Campaign's written responses to Board staff's letter, and misrepresenting the substance of the responses	\$10,000 and <i>breach</i>	
			Misrepresentation in connection with the Campaign's accounting for reported expenditures for rent	\$500 and <i>breach</i>	
			Unreported and unaccounted-for coordinated activity in connection with a mailing	\$2,500 and <i>breach</i>	
			Making prohibited expenditures between September 12, 2001 and September 24, 2001	\$500	
			Failing to provide any of the Campaign's bank deposit slips	\$1,000	
			Failing to report an in-kind contribution	\$80	
			Failing to report, or otherwise establish the absence of, subcontractors	\$100	
			Maintaining a petty cash fund in excess of \$500	\$100	
			Accepting two \$100 corporate contributions	VNP	
			Russo, Pat (2005)	CD #43	
Commingling Campaign funds with another bank account	\$250				
Accepting a \$100 corporate contribution	\$100				